

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

| | | |
|---|---|-------------------------|
| In re: |) | Chapter 11 |
| |) | |
| TERRESTAR CORPORATION, <i>et al.</i> , ¹ |) | Case No. 11-10612 (SHL) |
| |) | |
| Debtors. |) | Jointly Administered |

**ORDER GRANTING THE TSC DEBTORS' SECOND OMNIBUS OBJECTION TO
CERTAIN PROOFS OF CLAIM (AMENDED AND SUPERSEDED, NONCOMPLIANT,
FULLY SATISFIED, PARTIALLY SATISFIED AND IMPROPER AMOUNT)**

Upon the *TSC Debtors' Second Omnibus Objection to Certain Proofs of Claim (Amended and Superseded, Noncompliant, Fully Satisfied, Partially Satisfied and Improper Amount)* (the "**Objection**")² requesting entry of an order (a) disallowing and expunging the Disputed Claims listed on Schedules 1, 2 and 3 attached hereto, (b) reducing the Disputed Claim listed on Schedule 4 attached hereto as indicated on Schedule 4 and (c) reducing the Disputed Claim listed on Schedule 5 attached hereto and allowing such claim in the amount indicated on Schedule 5 pursuant to Bankruptcy Code sections 105(a) and 502(b) and Bankruptcy Rule 3007; and the Court having determined that the Court has jurisdiction over the subject matter of the Objection and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and this is a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Objection having been provided

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal taxpayer-identification number, are: (a) TerreStar Corporation [6127] and TerreStar Holdings Inc. [0778] (collectively, the "**February Debtors**") and (b) TerreStar New York Inc. [6394]; Motient Communications Inc. [3833]; Motient Holdings Inc. [6634]; Motient License Inc. [2431]; Motient Services Inc. [5106]; Motient Ventures Holding Inc. [6191]; and MVH Holdings Inc. [9756] (collectively, the "**Other TSC Debtors**") and together with the February Debtors, the "**TSC Debtors**").

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Objection.

and it appearing that no other or further notice need be provided; and the Court having determined that the relief requested in the Objection is in the best interests of the TSC Debtors, their estates and creditors and all other parties in interest; and upon the arguments and testimony presented at the hearing before the Court, and no formal responses to the Objection having been filed and considering the informal responses received to the Objection; and after due deliberation and sufficient cause appearing therefor, it is **HEREBY ORDERED** that:

1. The Objection is granted to the extent set forth herein.
2. The Disputed Claims listed on Schedules 1, 2 and 3 attached hereto are hereby disallowed and expunged in their entirety pursuant to Bankruptcy Code section 502(b).
3. The Disputed Claim listed on Schedule 4 attached hereto is hereby reduced by the amount already paid by the TSC Debtors as set forth on Schedule 4 pursuant to Bankruptcy Code section 502(b).
4. The Disputed Claim listed on Schedule 5 attached hereto is hereby reduced and allowed in the amount reflected in the TSC Debtors' books and records as set forth on Schedule 5 pursuant to Bankruptcy Code section 502(b).
5. The claim identified on Schedule 5 is hereby allowed in the Surviving Claim Amount as reflected on Schedule 5. The Surviving Claims identified on Schedule 1 and claims in the Amount Remaining as listed on Schedule 4 and the Surviving Claim will remain on the TSC Debtors' claims register, and such claims are neither allowed nor disallowed at this time and remain subject to any future objection on any basis.
6. The hearing with respect to (a) claim number 33 filed by Baljit Rai, (b) claim number 61 filed by Tom Truong and (c) claim number 64 filed by Paul Truong is hereby

continued until the next omnibus hearing scheduled in the above-captioned cases, and such claims are neither allowed nor disallowed at this time.

7. The terms and conditions of this Order shall be immediately effective and enforceable upon entry of the Order.

8. The TSC Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order and in accordance with the Objection.

9. This Court shall retain jurisdiction with respect to all matters arising from or relating to the implementation of this order.

Date: **October 12, 2011**
New York, New York

/s/ *Sean H. Lane*
United States Bankruptcy Judge

SCHEDULE 1

Amended and Superseded Claims

In re TerreStar Corporation, et al.
Schedule 1 - Amended & Superseded Claims

Note: Claimants are listed alphabetically by last name or by entity name.

| CLAIMS TO BE EXPUNGED | | | | | | SURVIVING CLAIMS | | | | | | CATEGORY | OBJECTION PAGE # REFERENCE |
|--|---------------|-----------------------------|----------------|-----------------|----------------|---|---------------|-----------------------------|----------------|-----------------|----------------|-----------------------------|----------------------------------|
| NAME | DATE FILED | CLAIMED DEBTOR | CASE NUMBER | CLAIM NUMBER | CLAIM AMOUNT | NAME | DATE FILED | CLAIMED DEBTOR | CASE NUMBER | CLAIM NUMBER | CLAIM AMOUNT | | |
| NYS DEPARTMENT OF TAXATION AND FINANCE BANKRUPTCY SECTION PO BOX 5300 ALBANY, NY 12205 | 10/28/10 | Motient Communications Inc. | 10-15452 | 1 | \$320.51 | NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE BANKRUPTCY SECTION PO BOX 5300 ALBANY, NY 12205 | 07/13/11 | Motient Communications Inc. | 10-15452 | 163 | \$3,753.58 | Taxes - Income/Franchise | |
| NYS DEPARTMENT OF TAXATION AND FINANCE BANKRUPTCY SECTION PO BOX 5300 ALBANY, NY 12205 | 03/18/11 | Motient Communications Inc. | 10-15452 | 24 | \$2,753.58 | NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE BANKRUPTCY SECTION PO BOX 5300 ALBANY, NY 12205 | 07/13/11 | Motient Communications Inc. | 10-15452 | 163 | \$3,753.58 | Taxes - Income/Franchise | |
| TERM LOAN LENDERS C/O NEXBANK SSB ATTN: JEFF SCOTT 13455 NOEL ROAD, 22ND FLOOR DALLAS, TX 75240 | 05/12/11 | TerreStar Corporation | 11-10612 | 109 | \$4,308,262.98 | NEXBANK SSB AS ADMINISTRATIVE AGENT FOR THE TERM LOAN LENDERS ATTN: JEFF SCOTT 13455 NOEL ROAD, 22ND FLOOR DALLAS, TX 75240 | 05/13/11 | TerreStar Corporation | 11-10612 | 127 | \$4,334,055.85 | Bridge Loan Agreement | |
| TERM LOAN LENDERS C/O NEXBANK SSB ATTN: JEFF SCOTT 13455 NOEL ROAD, 22ND FLOOR DALLAS, TX 75240 | 05/12/11 | TerreStar Holdings Inc. | 11-10613 | 110 | \$4,308,262.98 | NEXBANK SSB AS ADMINISTRATIVE AGENT FOR THE TERM LOAN LENDERS ATTN: JEFF SCOTT 13455 NOEL ROAD, 22ND FLOOR DALLAS, TX 75240 | 05/13/11 | TerreStar Holdings Inc. | 11-10613 | 126 | \$4,334,055.85 | Bridge Loan Agreement | |
| VAN VLISSINGEN AND CO., AS AGENT ATTN: JOHN NAWROCKI ONE OVERLOOK POINT, SUITE 100 LINCOLNSHIRE, IL 60069 | 11/24/10 | Motient Communications Inc. | 10-15452 | 3 | \$1,332,360.22 | VAN VLISSINGEN AND CO ATTN JOHN NAWROCKI ONE OVERLOOK POINT, SUITE 100 LINCOLNSHIRE, IL 60069 | 12/09/10 | Motient Communications Inc. | 10-15452 | 17 | \$1,602,336.48 | General Trade Payable | |

Total: \$9,951,960.27

Total: \$10,277,955.34

SCHEDULE 2

Noncompliant Claims

In re TerreStar Corporation, *et al.*
Schedule 2 - Not in Compliance with Applicable Rules

Note: Claimants are listed alphabetically by last name or by entity name.

| NAME | DATE FILED | CLAIMED DEBTOR | CASE NUMBER | CLAIM NUMBER | CLAIM AMOUNT | CATEGORY | REASON FOR DISALLOWANCE | OBJECTION PAGE # REFERENCE |
|---|------------|-----------------------|-------------|--------------|--------------|----------|---|-------------------------------|
| CHAD D CHRISTENSEN 4743 PIERCE LN PACE, FL 32571 | 05/07/11 | TerreStar Corporation | 11-10612 | 89 | \$158.40 | Other | Insufficient supporting documentation, see Bar Date Order at paragraph 11(c) | 6 |
| MICHAEL R STROOZAS 1217 NAMEKAGON LOOP HUDSON, WI 54016 | 04/23/11 | TerreStar Corporation | 11-10612 | 41 | Unliquidated | Other | Insufficient supporting documentation, see Bar Date Order at paragraph 11(c); No claim amount stated, see Bar Date Order at paragraph 11(a) | 6 |
| MR ROBERT J SUTTON 19932 PACIFIC CREST HWY MALIBU, CA 90265 | 05/28/11 | TerreStar Corporation | 11-10612 | 158 | \$6,671.00 | Other | Insufficient supporting documentation, see Bar Date Order at paragraph 11(c); Late filed, see Bar Date Order at paragraph 11(d) | 6 |

Total: **\$6,829.40**

SCHEDULE 3

Fully Satisfied Claims

In re TerreStar Corporation, *et al.*
Schedule 3 - Fully Satisfied Claims

Note: Claimants are listed alphabetically by last name or by entity name.

| NAME | DATE FILED | CLAIMED DEBTOR | CASE NUMBER | CLAIM NUMBER | CLAIM AMOUNT | CATEGORY | OBJECTION PAGE # REFERENCE |
|---|------------|-----------------------------|-------------|--------------|--------------|--------------------------|-------------------------------|
| FRANCHISE TAX BOARD BANKRUPTCY SECTION MS A340 PO BOX 2952 SACRAMENTO, CA 95812 | 11/05/10 | Motient Services Inc. | 10-15455 | 2 | \$5,656.45 | Taxes - Income/Franchise | |
| FRANCHISE TAX BOARD BANKRUPTCY SECTION MS A340 PO BOX 2952 SACRAMENTO, CA 95812 | 12/29/10 | Motient Communications Inc. | 10-15452 | 21 | \$7,577.92 | Taxing Authority | |
| INDIANA DEPARTMENT OF REVENUE BANKRUPTCY SECTION, N-240 100 NORTH SENATE AVENUE INDIANAPOLIS, IN 46204 | 01/21/11 | Motient Communications Inc. | 10-15452 | 23 | \$2,512.37 | Taxing Authority | |
| KENTUCKY DEPARTMENT OF REVENUE LEGAL BRANCH - BANKRUPTCY SECTION ATTN LEANNE WARREN PO BOX 5222 FRANKFORT, KY 40602 | 12/29/10 | Motient Communications Inc. | 10-15452 | 22 | \$14,310.11 | Taxing Authority | |
| NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE BANKRUPTCY SECTION PO BOX 5300 ALBANY, NY 12205 | 07/13/11 | Motient Communications Inc. | 10-15452 | 163 | \$3,753.58 | Taxes - Income/Franchise | |
| OHIO DEPARTMENT OF TAXATION BANKRUPTCY DIVISION C/O REBECCA DAUM PO BOX 530 COLUMBUS, OH 43216 | 12/04/10 | Motient Communications Inc. | 10-15452 | 4 | \$6,640.64 | Taxing Authority | |
| WEST VIRGINIA STATE TAX DIVISION PO BOX 766 CHARLESTON, WV 25323 | 12/06/10 | Motient Communications Inc. | 10-15452 | 26 | \$844.31 | Taxing Authority | |

Total: \$41,295.38

SCHEDULE 4

Partially Satisfied Claim

In re TerreStar Corporation, *et al.*
Schedule 4 - Partially Satisfied Claims

Note: Claimants are listed alphabetically by last name or by entity name.

| NAME | DATE FILED | CLAIMED DEBTOR | CASE NUMBER | CLAIM NUMBER | CLAIM AMOUNT | AMOUNT REMAINING | CATEGORY | OBJECTION PAGE # REFERENCE |
|---|---------------|-----------------------|----------------|-----------------|------------------------|-----------------------|------------------------------|-------------------------------|
| GOLDBERG, GODLES, WIENER & WRIGHT 1229 NINETEENTH STREET, NW WASHINGTON, DC 20036 | 04/18/11 | TerreStar Corporation | 11-10612 | 30 | Unsecured: \$10,075.81 | Unsecured: \$8,836.17 | Ordinary Course Professional | |

Total: \$10,075.81

SCHEDULE 5

Improper Amount Claim

In re TerreStar Corporation, *et al.*
Schedule 5 - Improper Amount Claim

Note: Claimants are listed alphabetically by last name or by entity name.

| NAME | DATE FILED | CLAIMED DEBTOR | CASE NUMBER | CLAIM NUMBER | CLAIM AMOUNT | SURVIVING CLAIM AMOUNT | CATEGORY | OBJECTION PAGE # REFERENCE |
|--|---------------|-----------------------|----------------|-----------------|--------------|---------------------------|------------------|-------------------------------|
| SC DEPARTMENT OF REVENUE PO BOX 12265 COLUMBIA, SC 29211 | 04/21/11 | TerreStar Corporation | 11-10612 | 50 | \$2,432.74 | \$83.87 | Taxing Authority | |

Total: \$2,432.74 \$83.87